

NATIONAL DAIRY MARKET AT A GLANCE**CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (07/21):**

BUTTER: Grade AA closed at \$1.1475. The weekly average for Grade AA is \$1.1483 (-.0375).

CHEESE: Barrels closed at \$1.2000 and blocks at \$1.2500. The weekly average for barrels is \$1.1720 (-.0245) and blocks, \$1.2115 (-.0075).

NONFAT DRY MILK: Extra Grade and Grade A closed at \$1.0300. The weekly average for Extra Grade is \$1.0300 (N.C.) and Grade A, \$1.0300 (N.C.).

BUTTER: The butter market tone is mixed, although prices are weak. Producers and handlers are stating that stocks are in good balance with current needs, and in instances, heavier than desired. Midwestern and Eastern handlers continue to reach to Western areas to secure additional volumes of butter for future use. Current demand is seasonally strong. Food service orders are good as the summer vacation season continues with retail orders also strong. Churning schedules are seasonally active, although cream supplies are becoming less available for butter needs.

CHEESE: The cheese market is unsettled. Current offerings generally exceed demand for cheddar. Buyers have also been working down inventory purchased earlier. Recent heat and humidity have impacted milk supplies with the Southeast starting to pull extra milk from suppliers further north. This is beginning to tighten milk and cheese supplies.

FLUID MILK: Across the southern most tier of states, hot weather continues and milk production is reflecting the negative weather patterns. Not only is milk output falling, but fat tests and yields are also lower. Elsewhere in the country, temperatures are quite moderate for this time of the year and milk output is holding up quite well, and in instances, reports of slight rebounds are occurring. In most areas, milk volumes are lighter and most manufacturing plants are operating on reduced schedules in comparison to just a few weeks ago. Cream demand remains seasonally active. Recent lower butter prices at the CME caused processors to raise multiples, although these efforts were resisted by potential buyers. Cream continues to move from the West Coast into Midwestern and Eastern plants.

DRY PRODUCTS: Prices and market conditions for most dry dairy products are firm with the exception of lactose. Current lactose markets are generally on the weak side. Stocks are reported as mixed with some producers sold out while others are long. Domestic demand is lackluster with export interest somewhat better. Nonfat dry milk powder markets are mixed with prices slightly higher and lower. In some areas of the country, drying schedules are being reduced by a shift and, in instances, a whole day as milk volumes drop off seasonally. Domestic demand is slow. World prices are now near U.S. prices, thus some reports of commercial exports are occurring.

USDA, FAS has indicated that reflecting current world market conditions and firm prices for skim milk powder, DEIP bonuses have rapidly declined to a level where they no longer appear necessary. In fact, they may impede unsubsidized exports of U.S. skim milk powder. FAS adds that already there are initial reports of export sales of skim milk powder without any subsidy. If confirmed, this would boost total U.S. exports of skim milk powder above the current DEIP (July 2000 - June 2001) allocation of 68,201 tons.

CCC: During the week of July 17 - 21, net CCC purchases total 6,437,845 lbs. of

nonfortified and 1,058,052 lbs. of fortified NDM. Purchases of nonfortified NDM by region total 10,776 lbs. from the East and 6,427,069 lbs. from the West.

FEDERAL MILK ORDER ADVANCE PRICES HIGHLIGHTS (DAIRY PROGRAMS): Under the federal milk order pricing system, the base price for Class I milk for August is \$11.95. This price is derived from the advanced Class IV skim milk pricing factor of \$7.70 and the advanced butterfat pricing factor of \$1.2913 per pound. Class I differentials specific to each order are added to the base price to determine the Class I price. The Class II skim milk price for August is \$8.40 and the Class II nonfat solids price is \$0.9333 per pound. The following are the two-week product price averages: butter \$1.1729, nonfat dry milk \$1.0093, cheese \$1.2269, and dry whey \$0.1893.

JUNE MILK PRODUCTION (NASS): Milk production in the 20 major states during June totaled 12.1 billion pounds, up 2.8% from production in these same states in June 1999. Production per cow averaged 1,546 pounds for June, 30 pounds (2.0%) above June 1999. The number of cows on farms in the 20 major states was 7.81 million head, 65,000 head (0.8%) more than June of last year and 10,000 head more than May 2000. Cow number have been higher from month to month for the last 8 months. The April - June U.S. quarterly milk production was 43.1 billion pounds, 2.6% above the same period last year.

USDA FORWARD PRICING PILOT PROGRAM (AMS, DAIRY PROGRAMS): Dairy farmers will have a new, voluntary tool for marketing their milk used in non-fluid products, beginning August 1. USDA has issued final rules to implement a dairy forward contracting pilot program for milk marketed under the Federal milk marketing order program. The pilot program will be in effect for milk marketed August 1, 2000, through December 31, 2004. Under the new program, handlers may enter into forward contracts with dairy farmers or cooperative associations to buy milk that will be used to make non-fluid products such as butter, powdered milk, cheese, ice cream, and yogurt. For milk covered by forward contracts, a handler will not be required to pay dairy farmers the mandated minimum Federal order price. Instead, dairy farmers and handlers will agree to a price as specified in a forward contract. The pilot program is voluntary and intended to offer an additional marketing tool for dairy farmers.

MILK SUPPLY AND DEMAND ESTIMATES (USDA, WAOB): Milk production at 167.0 billion pounds and CCC net removal forecasts are unchanged but continued weakness in product prices has led to slight reductions in milk price forecasts from last month.

FEDERAL MILK ORDER PRICE AND POOL SUMMARY (USDA, DAIRY PROGRAMS): During June, about 9.5 billion pounds of milk were received from producers. This volume of milk is 0.2% higher than the adjusted June 1999 volume. Slightly more than 3.6 billion pounds of producer milk were used in Class I products, 2.4% higher than the previous year. Calendar composition likely had a positive impact on milk use in Class I 2000 as compared to 1999. The all market average Class utilization percentages were: Class I - 38%, Class II - 11%, Class III - 45%, and Class IV - 6%. The weighted average statistical uniform price (blend price under old pricing system) was \$12.19 per cwt., \$0.25 more than last month, but \$0.64 less than last year.

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**CHICAGO MERCANTILE EXCHANGE
CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., NONFAT DRY MILK: carlot = 42,000-45,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY JULY 17	TUESDAY JULY 18	WEDNESDAY JULY 19	THURSDAY JULY 20	FRIDAY JULY 21	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARREL	\$1.1900 (-.0025)	\$1.1650 (-.0250)	\$1.1600 (-.0050)	\$1.1450 (-.0150)	\$1.2000 (+.0550)	(+.0075)	\$1.1720 (-.0245)
40# BLOCKS	\$1.2200 (N.C.)	\$1.2175 (-.0025)	\$1.1700 (-.0475)	\$1.2000 (+.0300)	\$1.2500 (+.0500)	(+.0030)	\$1.2115 (-.0075)
NONFAT DRY MILK EXTRA GRADE	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	N.C.	\$1.0300 (N.C.)
GRADE A	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	N.C.	\$1.0300 (N.C.)
BUTTER GRADE AA	\$1.1500 (-.0275)	----	\$1.1475 (-.0025)	----	\$1.1475 (N.C.)	(-.0300)	\$1.1483 (-.0375)

*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKETNEWS.HTM

CHICAGO MERCANTILE EXCHANGE

MONDAY, JULY 17, 2000

CHEESE -- SALES: 2 CARS 40# BLOCKS: 1 @ \$1.2175, 1 @ \$1.2200; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 3 CARS BARRELS: 1 @ \$1.1900, 2 @ \$1.1925; 3 CARS 40# BLOCKS: 2 @ \$1.2200, 1 @ \$1.2300
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: 12 CARS GRADE AA: 2 @ \$1.1250, 1 @ \$1.1300, 1 @ \$1.1350, 1 @ \$1.1400, 1 @ \$1.1325, 1 @ \$1.1400, 1 @ \$1.1425, 2 @ \$1.1450, 1 @ \$1.1475, 1 @ \$1.1500; BIDS UNFILLED: 2 CARS GRADE AA @ \$1.1100; OFFERS UNCOVERED: 28 CARS GRADE AA: 3 @ \$1.1500, 1 @ \$1.1525, 2 @ \$1.1550, 4 @ \$1.1600, 2 @ \$1.1650, 2 @ \$1.1675, 2 @ \$1.1700, 1 @ \$1.1750, 4 @ \$1.1775, 1 @ \$1.1850, 2 @ \$1.1875, 2 @ \$1.1975, 2 @ \$1.2075

TUESDAY, JULY 18, 2000

CHEESE -- SALES: 12 CARS 40# BLOCKS: 3 @ \$1.2150, 1 @ \$1.2000, 1 @ \$1.1975, 1 @ \$1.2000, 1 @ \$1.2050, 2 @ \$1.2100, 1 @ \$1.2150, 1 @ \$1.2175, 1 @ \$1.2200; BIDS UNFILLED: 1 CAR 40# BLOCKS @ \$1.1800; OFFERS UNCOVERED: 3 CARS BARRELS: 1 @ \$1.1650, 2 @ \$1.1900; 4 CARS 40# BLOCKS: 1 @ \$1.2175, 3 @ \$1.2200; 1 CAR 40# BLOCK 3 MONTH AGED: 1 @ \$1.2650; 1 CAR 40# BLOCK 2 MONTH AGED: 1 @ \$1.2500
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

WEDNESDAY, JULY 19, 2000

CHEESE -- SALES: 12 CARS 40# BLOCKS: 1 @ \$1.1900, 1 @ \$1.1800, 1 @ \$1.1700, 1 @ \$1.2000, 1 @ \$1.1800, 1 @ \$1.1900, 2 @ \$1.2000, 2 @ \$1.1900, 1 @ \$1.2000, 1 @ \$1.1700; BIDS UNFILLED: 1 CAR 40# BLOCKS @ \$1.1550; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.1600; 4 CARS 40# BLOCKS: 1 @ \$1.1900, 1 @ \$1.2100, 2 @ \$1.2175
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: 17 CARS GRADE AA: 1 @ \$1.1300, 1 @ \$1.1400, 1 @ \$1.1350, 2 @ \$1.1375, 1 @ \$1.1350, 7 @ \$1.1375, 2 @ \$1.1400, 2 @ \$1.1475; BIDS UNFILLED: 7 CARS GRADE AA: 2 @ \$1.1300, 1 @ \$1.1200, 1 @ \$1.1100, 1 @ \$1.1050, 1 @ \$1.1000, 1 @ \$1.0800; OFFERS UNCOVERED: 16 CARS GRADE AA: 1 @ \$1.1475, 3 @ \$1.1500, 1 @ \$1.1550, 6 @ \$1.1600, 5 @ \$1.1700

THURSDAY, JULY 20, 2000

CHEESE -- SALES: 2 CARS BARRELS: 1 @ \$1.1500, 1 @ \$1.1600; 3 CARS 40# BLOCKS: 1 @ \$1.1950, 1 @ \$1.1975, 1 @ \$1.2000; BIDS UNFILLED: 2 CARS 40# BLOCKS: 1 @ \$1.1850, 1 @ \$1.1600; OFFERS UNCOVERED: 2 CARS BARRELS: 1 @ \$1.1450, 1 @ \$1.1600; 2 CARS 40# BLOCKS: 1 @ \$1.2000, 1 @ \$1.2100
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

FRIDAY, JULY 21, 2000

CHEESE -- SALES: 5 CARS BARRELS: 1 @ \$1.1650, 1 @ \$1.1700, 1 @ \$1.1800, 1 @ \$1.1900, 1 @ \$1.2000; 3 CARS 40# BLOCKS: 1 @ \$1.2100, 2 @ \$1.2200; BIDS UNFILLED: 2 CARS BARRELS @ \$1.1000; 2 CARS 40# BLOCKS: 1 @ \$1.2500, 1 @ \$1.1600; OFFERS UNCOVERED: 2 CARS BARRELS: 1 @ \$1.2050, 1 @ \$1.2100; 1 CAR 40# BLOCKS @ \$1.2700
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: 4 CARS GRADE AA: 2 @ \$1.1450, 2 @ \$1.1475; BIDS UNFILLED: 2 CARS GRADE AA @ \$1.1200; OFFERS UNCOVERED: 17 CARS GRADE AA: 3 @ \$1.1500, 1 @ \$1.1525, 1 @ \$1.1550, 1 @ \$1.1575, 3 @ \$1.1600, 2 @ \$1.1700, 2 @ \$1.1800, 2 @ \$1.1900, 2 @ \$1.2000

BUTTER MARKETS**NORTHEAST**

At the CME, prices continue their downward trend. The market tone is unsettled and weak. Churning activity in the East is lighter as cream stocks tighten along seasonal patterns. West Coast cream is being shipped in to supplement local supplies. Butter stocks are more than adequate to cover current needs, but some West Coast butter is being imported. These shipments are now a matter of routine for much of the year. Retail demand is slow to fair. Food service orders are seasonally good. Sales for bulk butter continue in the range of 3-5 cents over the CME price/average.

CENTRAL

Butter markets in the Central part of the country are weak. Recent AA trading level declines of nearly 10 cents per pound at the CME have been passed through in wholesale bulk and print butter prices. Churning activity in the Midwest remains seasonally active although milk and cream offerings have tightened. Some Midwestern handlers have and continue to reach to other areas of the country to supplement butter inventories. In instances, some Midwestern buyers are able to take advantage of heavier than desired stock levels by some

Western producers and are receiving bulk butter delivered at favorable prices. Current butter demand is fairly good. Some scattered feature activity continues to stimulate strong butter sales at retail while food service orders are stronger due to the summer vacation season.

WEST

Offerings of bulk and print butter are sufficient for all trade needs. Food service orders for prints are ahead of retail orders mostly because of the summer vacation season. Some bulk is moving out of the region to meet needs in other regions. Cream demand from ice cream operations is about average for this time of year. Buyers are not aggressively looking for cream to make ice cream. Churning is heavier than some plants had anticipated. Weekly inventory levels at CME approved warehouses stand at 95.6 million pounds. In the last five weeks, stocks have declined 4.47 million pounds compared to last year when stocks fell only 1.71 million pounds over the same time period. Current prices for bulk butter range from 7 1/2 cents under to 3 cents under the market based on the CME with various time frames and averages involved. Some manufacturers had built up some stocks to larger than desired levels and had to discount further to get the butter to move to Midwestern buyers.

NASS DAIRY PRODUCT PRICES
 U.S. AVERAGE AND TOTAL POUNDS

<u>WEEK ENDING</u>	<u>CHEESE</u>		<u>NDM</u>	<u>BUTTER</u>	<u>DRY WHEY</u>
	<u>40# BLOCKS</u>	<u>BARRELS</u> 39% MOISTURE			
JULY 15	1.2181 6,595,282	1.2300 8,755,256	1.0118 22,659,233	1.1775 2,317,865	0.1900 7,310,404

Further data and revisions may be found on the internet at: <http://jan.mannlib.cornell.edu/reports/nassr/price/dairy>

CHEESE MARKETS

NORTHEAST

Prices are moderately lower on natural and process items, unchanged on Swiss. The market tone is weaker as milk production continues to run ahead of year earlier figures and cheese output remains moderate to heavy. One contact reported that his company's analysis (on a national basis) had milk output for the first five months of the year up 3.8% and more than two-thirds of that increase ended up in cheese production. In the East, cheese output is starting to ease lower as milk volumes decrease seasonally. Demand is holding fairly steady and is typical for this time of year. During the summer, retail movement usually slows, but food service orders improve. Distributors do not see prices at the CME moving too high and many are just buying as needed. With recent price decreases, most users are just taking regular volumes.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.2575-1.7250
Cheddar Single Daisies	:	1.2150-1.6750
Cheddar 40# Block	:	1.3600-1.5350
Process 5# Loaf	:	1.4075-1.5825
Process 5# Sliced	:	1.4275-1.6850
Muenster	:	1.4175-1.7200
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market is weak, at least for the short term. However, prices may again rebound if buyers in the Southeast start to pull sizeable volumes of milk from outside the region. Spot offerings exceed current market requirements. Milk and cheese production remain heavier than needed for current demand. Cheese supplies already in inventory are also affecting buyer needs. A few large buyers have backed off on commitments this month causing spot offerings to increase. Pressure from natural seems to be weighing barrels and process down. Processing solid interest has slowed as barrel prices declined. Some extra retail features are occurring to stimulate additional sales. Spot activity is occurring, but mainly for immediate use on non-commodity types. At least a few buyers are having difficulty in acquiring blue cheese supplies. Swiss stocks are adequate at best and held with confidence.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.3775-1.5900
Brick And/Or Muenster 5#	:	1.5500-1.7800
Cheddar 40# Block	:	1.5500-2.1150
Monterey Jack 10#	:	1.7500-2.1150
Blue 5#	:	1.9150-2.1200
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.5700-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.0000-2.6850

MIDWEST COMMODITY CHEDDAR

Dollars per pound, standard moisture basis (37.8-39.0%),
carlot/trucklot, F.O.B. plants or storage centers.

CHEDDAR STYLES : JULY 17 - 21, 2000

BARRELS*	:	\$1.1500 - 1.2125 (NOMINAL)
	:	(-\$0.0500) (-.0600)
40# BLOCKS	:	\$1.1700 - 1.2700 (NOMINAL)
	:	(-\$0.0400) (-.0300)

() Change from previous week. * If steel, barrel returned.

WEST

Natural and process cheese prices are sharply lower with Swiss cheese prices holding steady. Contacts are not all that surprised with the weakness noted on cheese prices at this time. Demand, overall, is good, but production remains very heavy with most operations having heavy offerings available. Retail promotions on cut cheese are common in the West at this stage of the summer season. This means that demand for current natural cheese is very good. Processors seem to have hit the summer doldrums before schools start up in about a month. Swiss cheese sales are rated as good for this time of the year. Mozzarella supplies are tight and will tighten further when schools reopen. Many schools in the Western region now have pizza kitchens on site to provide fresh baked pizzas every day of the week.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.3500-1.6100
Cheddar 40# Block	:	1.3425-1.4825
Cheddar 10# Cuts	:	1.5225-1.7425
Monterey Jack 10#	:	1.5325-1.6925
Grade A Swiss Cuts 6 - 9#	:	2.2000-2.4500

FOREIGN

Prices for domestic styles are moderately lower with no reported changes on imported types. The market tone is seasonally weak. Demand is just fair, but with the strong U.S. Dollar compared to the Euro, some importers are placing orders. The recent lowering (or on some types, elimination) of EU export subsidies on cheeses sold to the U.S. has some European traders happy as they feel that they may be able to export more cheese.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

NEW YORK		
VARIETY	IMPORTED	DOMESTIC
Roquefort	: TFEWR	: -0-
Blue	: 2.6400-3.1400	: 1.5600-3.0550*
Gorgonzola	: 3.2400-5.9400	: 2.1150-2.4900*
Parmesan (Italy)	: TFEWR	: 2.9750-3.0000*
Romano (Italy)	: 2.1000-2.5400	: -0-
Provolone (Italy)	: 3.4400-5.5000	: 1.5750-1.8450*
Romano (Cows Milk)	: -0-	: 2.7500-4.9250*
Sardo Romano (Argentina)	: 2.6500-3.2900	: -0-
Reggianito (Argentina)	: 2.6500-3.2900	: -0-
Jarlsberg (Brand)	: 2.7400-3.3100	: -0-
Swiss Cuts Switzerland	: -0-	: 2.3500-2.5500
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-
Swiss Cuts Austrian	: 2.2500-2.7500	: -0-
Edam	:	:
2 Pound	: TFEWR	: -0-
4 Pound	: 2.1900-3.0900	: -0-
Gouda, Large	: 2.3900-3.1500	: -0-
Gouda, Baby (\$/Dozen)	:	:
10 Ounce	: 27.8000-31.7000	: -0-
*=Price change.		

WEEKLY COLD STORAGE HOLDINGS-SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

BUTTER : CHEESE		
07/17/00	34,491	: 142,728
07/01/00	32,757	: 140,036
CHANGE	1,734*	: 2,690
% CHANGE	5	: 2

*LAST WEEK'S BUTTER CHANGE SHOULD HAVE BEEN -21
INSTEAD OF AS PRINTED

FLUID MILK AND CREAM

E A S T

Regional Milk Market Administrators announced the following, June 2000 uniform prices: Northeast \$13.25, Mideast \$12.38, Southeast \$13.78, Florida \$15.57, and Western New York (a state order) \$13.30 at the base cities/counties in the orders. (For the Northeast, Mideast, and Western New York orders, statistical uniform prices are reported.) During June, milk production in the 20 major states totaled 12.1 billion pounds, up 2.8% from June 1999. The following are the June to June changes for selected states: New York -1.8%, Pennsylvania +0.4%, Virginia +1.3%, Vermont +1.7%, Texas +2.0%, Florida +2.0%, and Kentucky +2.3%. Hot weather continues in the Southeast and the cows' output reflects the effects of the weather. Not only is milk production falling, but fat tests and yields are also falling. Florida handlers imported 50-60 loads this week (50-55 loads from the Middle Atlantic area). This compares to 13 loads a year ago and none last week. Also, handlers in other Southeastern states brought in some milk from more northern states. However, this milk came from their own organization, but outside milk is expected to be purchased in the near future. In the Northeast, the milk flow is steady to lower and milk supplies are in better balance. Bottled milk sales range from slow to fairly good. Surplus milk volumes are lighter and most manufacturing plants are operating on reduced schedules. The condensed skim market is very active, but prices are holding at current levels. Offerings are fully adequate and demand is good, particularly from Class III users. Between the lighter milk supply and good condensed skim sales, NDM production is slow. The fluid cream market is mixed, mostly firm. Demand this week is steady to slower as a couple large buyers took fewer loads. These extra loads needed to be and were cleared, but multiples ended up in a wide range. In addition to local supplies, cream continues to be shipped in from the West Coast. Prices are usually lower since the CME weekly average for butter fell more than four cents from the previous week. Cream cheese production is steady to lighter. Ice cream output is holding up at typical seasonal levels. Churning activity is light to moderate, mostly lighter.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.5178-1.7600
DELIVERED EQUIVALENT ATLANTA	-	1.5415-1.7194 M 1.6008-1.6838
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.6245-1.6838
PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS		
F.O.B. PRODUCING PLANTS:		
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES -	1.0500-1.1100	
NORTHEAST- CLASS III - SPOT PRICES	-	.8000-1.0100

M I D W E S T

WISCONSIN SPOT SHIPMENTS:

SPOT SHIPMENTS:	LOADS
JULY 14 - 20, 2000	3
PREVIOUS WEEK	0
COMPARABLE WEEK IN 1999	18

DESTINATIONS: MISSOURI 3

Class I demand is steady at typical summer levels. Milk production is still not showing the usual seasonal decline in the upper tier of Midwestern states as weather conditions have remained fairly comfortable for milk production so far, no prolonged heat and still cooling off overnight. After recent heat, slight rebounds have occurred. However further south, prolonged bouts of higher temperatures and humidity have caused sharp milk receipt declines. Spot prices are steadier on a light test, generally around \$1.50 over class with a few sales slightly higher. Some additional milk out of Wisconsin has been flowing into the

with June 1999 is: Wisconsin 1.94 billion pounds, down 30 million pounds (-1.5%); Minnesota 800 million pounds, off 4 million pounds (-0.5%); Michigan 456 million pounds, down 8 million pounds (-1.7%), and Iowa 329 million pounds, up 12 million pounds (3.8%). New York was the only other top 20 states showing a production decline from last June. Dryer weather has helped the hay/haylage harvest as well as small grains.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	JULY 13 - 19	PREVIOUS YEAR
SLAUGHTER COWS	\$ 36.00- 43.50	\$ 37.00- 44.50
REPLACEMENT HEIFER CALVES	\$250.00-395.00	\$220.00-265.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	JULY 13 - 19	PREVIOUS YEAR
SLAUGHTER COWS	\$ 36.00- 48.50	\$ 36.00- 46.00

W E S T

U.S. milk production in the 20 states surveyed totaled 12.1 billion pounds in June, 2.8% higher than June 1999. Production levels were steady or higher in 16 of the 20 states. May 2000 production was revised lower 2.4% above 1999 levels. Cow numbers in June were 7.81 million head, up 65,000 (+0.8%) from a year ago. Milk per cow was 2.0% higher. June output in the five Western states surveyed compared to 1999 is: Arizona, +6.5%; California, +6.6%; Idaho, +14.6%; New Mexico, +11.5%; and Washington, +1.7%. For the month of June, the issue of greatest concern for producers is that cow numbers are up significantly from last year (65,000 head) and that they have increased for eight consecutive months. Comparing milk production for the first six months of the year (unadjusted for leap day in 2000) to the same period in 1999 for selected Western states is as follows: Arizona +5.6%, California +7.7%, Colorado +9.7%, Idaho +14.3%, New Mexico +11.5%, Oregon +2.9%, Utah +5.3%, and Washington +2.3%. The comparable number for the U.S. is +3.9%. California milk production is being impacted by good milk producing weather condition across most of the state. The far north milk region is still increasing toward seasonal peaks. In the northern and middle Central Valley, milk production and solids are trending slightly higher. In the south, milk volumes are holding steady, whereas historically, levels would be declining. Hotter conditions are beginning to redevelop and will be assessed. Class I usage is fair to good with some retail featuring spurring additional movement. Ice cream demand is noted to be fair to good, especially where featured. Some buyers are taking additional cream in anticipation of the fat price increasing for the August/September period. Milk is being processed within the state and little outside milk is being handled. Cream demand slowed during the week. The eroding prices for butter made processors try to raise multiples, but efforts were resisted. Multiples range from 115 to 126 this week. Hot temperatures continue to affect milk production in Arizona. Receipts are sharply lower and no breaks are in the forecast for a recovery. Plant schedules are lower and problems with equipment are further complicating processing. Heat and humidity in New Mexico are slowing milk output. Recent rain showers have caused delays in cutting and harvesting third and fourth cuttings of hay. Milk cows are still being added to existing herds and new facilities are in progress. Milk production is past the seasonal peak in the Pacific Northwest, but it is not falling very rapidly because of almost ideal weather conditions for production. There has only been some stress for about three days a few weeks ago and that did not have much overall impact on the milk flow. Grain prices continue to weaken and more producers are finishing contracting for fall/winter grain needs. Hay quality remains a concern for some producers in the region along with the increasing prices. The competition for dairy hay is intense from exporters and buyers from outside the more local areas. Culling rates remain light and heifers are hard to find and expensive. The drought continues to cause more concerns in Utah and Idaho. No measurable rain has fallen since early spring (March). More areas are reporting that irrigation will be limited before the end of the cropping season. Temperatures are warm during the day, but they are cooling off nicely at night. Therefore, the stress on the milking herds is fairly minor at this time.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 07/20/00 and represent FOB Central and Western production areas. Prices represent CL/TL quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL

Prices are unchanged to higher on a slightly firmer market. Production is declining seasonally as summer temperatures begin to affect the milk supply. Some plants are reducing schedules or closing operations. Movement into government programs is decreasing. Demand is fair and remains best on Grade A 50# bags. Inquiries are being made by brokers for bulk load shipments. Most producers are unwilling to move multiple loads as prices are anticipated to move higher. High heat demand is good and the market tone is firm. Where possible, manufacturers are producing loads of high heat to replenish depleted supplies and meet increased interest. Standard grade product is available in the mid 90's for the light to fair demand.

Includes EXTRA GRADE and GRADE A, low and medium heat

NONFAT DRY MILK: 1.0100 - 1.0350 MOSTLY: 1.0150 - 1.0200

DRY BUTTERMILK - CENTRAL

Prices are higher on a firm market. Scant product availability is encouraging higher prices. However, some producers are not as bullish and are opting to market buttermilk at lower premiums than reported last week. Trading is light with some buyers resisting offers from Midwestern suppliers that were reportedly as high as \$1.0450 delivered. Western product is a competitive substitute. Some aged and off grade product is trading below the range. Condensed supplies are in good balance and clearing with ease into ice cream facilities.

BUTTERMILK: .9825 - 1.0200

DRY WHEY - CENTRAL

Prices and the market tone are mixed. Some plants are sold out while others are running somewhat long. Brokers are not reporting many trades and buyers are seeing supplies as readily available. Production is steady to slightly lower due to decreases in the milk supply. Some cheese plants have reduced schedules from 7 to 6 days per week. Condensed product is available at some locations. Off grade product is tight with some buyer resistance noted at the higher prices.

NONHYGROSCOPIC: .1900 - .2050 MOSTLY: .1950 - .2000

ANIMAL FEED WHEY - CENTRAL

Prices are unchanged to higher on a steady to firm market. While milk replacer supplies are tight, prices are not moving higher. Some buyers are resisting higher prices and instead working with current stocks. The roller ground market continues to move higher with changes in the Extra Grade market. Delactose supplies are tight. Many plants are sold out and unable to keep up with demand. Production is steady to lower due to production delays with the humid weather. Imported delactose is competitive with domestic supplies. Off grade delactose is reportedly available and trading close to the average. Lean hog markets are firming yet early weaned pig prices are trending lower. North Central veal prices are steady to lower.

MILK REPLACER: .1500 - .1900
ROLLER GROUND: .1825 - .1975
DELACTOSE (Min. 20% protein): .3750 - .4000

LACTOSE - CENTRAL AND WEST

Prices are lower on a weak market. Product offered at the lower end of the range is often difficult to clear. Heavy feed grade supplies are deterring interest in the Extra Grade market. Domestic movement is lackluster into food and feed markets. Export demand is somewhat better, yet spot trade prices are generally lower. Production is heavy due to the strong interest in WPC. Inventories are mixed with some suppliers sold out and others running long. Demand for 200 mesh is good, especially into export markets. Inquiries are light and offerings are heavy on the 30-100 mesh. Off grade product continues to trade at substantial discounts.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1500 - .2300 MOSTLY: .1700 - .1800

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged to higher on an unsettled market. Producers are seeing more resistance to the current prices, especially from the feed sector. Some buyers are even canceling contracted orders. However, the supply side does not appear to be changing. Manufacturer stocks are tight with some buyers being shorted contracted loads. Demand from nutraceuticals, drink mixes, yogurts, process cheese and other food facilities remains strong. Interest from export markets persists, yet at the higher prices, trading is very light with producers tending to fulfill domestic commitments first. Canadian product is reportedly being traded into the US at the average delivered. Imported delactose remains a competitive substitute for WPC. Some resellers are offering WPC at lower premiums or the average. Production at some plants is lower than anticipated with solid contents decreasing in milk supplies at some locations. Condensed supplies continue to clear readily into process cheese and feed facilities. Off grade supplies are plentiful and trading from .4000 - .7000 depending on the quality.

EXTRA GRADE 34% PROTEIN: .7500 - .8125 MOSTLY: .7725 - .7925

NONFAT DRY MILK - WEST

Low/medium heat prices are mostly unchanged with some movement within the range noted. The market tone is unsettled. There are reports of lower priced NDM trading below the bottom end of the range, but the trades nor the quality could be confirmed. Buyers are reluctant to make purchases beyond short term needs. DEIP bid acceptances have stopped as world prices are closer to domestic prices. Direct exports are slow to develop and contacts are not moving as much as hoped. The trade is working hard to direct export, but finding deals hard to make. Production levels are active in much of the region to process continued good intakes of milk. Moderating weather conditions have allowed milk production to remain seasonally active. High heat prices are unchanged in a light test. Production is seasonally light and demand is light beyond contract commitments. Very little has changed in this market in recent weeks. Demand is picking up from some accounts. Plant stocks are limited. During the week of July 10 - 14, CCC net purchases totaled 9.5 million pounds of NDM under the price support program. Of this total, 8.9 million pounds were from the West.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: .9900 - 1.0225 MOSTLY: 1.0000 - 1.0100

HIGH HEAT: 1.0300 - 1.0700

DRY BUTTERMILK - WEST

Dry buttermilk prices are higher on the range, but holding steady on the mostly range. The market tone is generally rated as steady to firm, but more buyer resistance is noted as prices are raised. There are attempts to push offering prices higher and to narrow the spread between the West and Central regions. However, marketers are having trouble making sales at higher prices. Production continues to be light as sales of cream limit butter churning and condensed sales are active. Seasonal interest is still noted from ice cream accounts with volumes moving as condensed. Stocks at all levels are generally light.

BUTTERMILK: .8800 - .9650 MOSTLY: .8800 - .9000

DRY WHEY - WEST

The market continues to firm for Western whey powder. Prices range from steady to fractionally higher. Domestic sales are rated as good for this time of the year. Buyers are taking regular contracted volumes. Export sales are not aggressive, but generally rated as steady. Producer stocks are in good shape. Sellers are willing to hold on to any extra powder at this time as they believe it may increase in value as time goes on.

NONHYGROSCOPIC: .1725 - .2000 MOSTLY: .1775 - .1850

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	POUNDS
July 14	\$1.0061	14,706,334
July 7	\$1.0075	11,912,688

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS

All reports represent carlot/trucklot quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

NONFAT DRY MILK - NORTHEAST AND SOUTHEAST

Prices are steady on high heat, mixed on low heat. The market tone is firming. Eastern plants' drying schedules are lower as surplus milk supplies decrease seasonally. Also, the continued very good demand for Class III condensed skim is reducing the need to dry. Some plants had to curtail wet solids shipments to make NDM to meet contracts. Producer inventories in the East are much lighter than normal and some producers are, or very nearly, sold out. Given that fact, some Eastern NDM was moved to CCC inventories this week. It was noted that the movement to CCC was made previously and the reported volumes had been waiting shipping instructions. Demand is fairly good. However, contacts have been reporting the FAS is no longer accepting bids for bonuses under DEIP. The fact is, FAS has not accepted any NDM bids since July 11. Rumors have it that some direct exports of NDM have been made now that the world price for NDM is very near current U.S. prices. More contacts speculate that the good demand, tighter supplies, and lighter output will cause prices to move higher in the near future. While commenting on possible higher prices, they quickly note that higher prices could hurt the newly emerging direct export sales, or "restart" DEIP bonuses.

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:	
LOW/MEDIUM HEAT:	1.0175 - 1.0350 MOSTLY: 1.0200 - 1.0300
HIGH HEAT:	1.0700 - 1.1000 MOSTLY: 1.0700 - 1.0800
DELVD SOUTHEAST:	
ALL HEATS:	1.0300 - 1.1100

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are unchanged and nominal. The market tone is steady. Little dry buttermilk is available from Eastern producers. Most have barely enough to fill contracts. This reflects the lighter churning activity reported this week and the continued good sales of condensed buttermilk. Demand is just fair and generally centered around contractual commitments. Spot interest is light.

F.O.B. NORTHEAST:	.8800 - .9000
DELVD SOUTHEAST:	.8800 - .9550

DRY WHOLE MILK - NATIONAL

Prices and the market tone are steady. Production levels are light to moderate as producers are starting to fill more export deals under the old DEIP program. Domestic demand is fair to good. Most producer stocks are closely balanced or already committed for sale.

F.O.B. PRODUCING PLANT:	1.2050 - 1.3100
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DEIP BID ACCEPTANCE SUMMARY

JULY 1, 2000 THROUGH JULY 7, 2000
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	--	12,750	MT (28,108,650 LBS)
CHANGE	--	1,950	MT (4,298,970 LBS)
CHEESE	--	1,700	MT (3,747,820 LBS)
CHANGE	--	1,700	MT (3,747,820 LBS)

Allocations for the DEIP year beginning July 1, 2000: Nonfat dry milk - 68,201 MT; Cheese - 3,030 MT; Butterfat - 21,097 MT.

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are fractionally higher and the market tone continues to firm. With surplus milk volumes decreasing along seasonal patterns, cheese and whey output are slowing. Most Eastern producers report having little or no dry whey to offer on the spot market for immediate shipment. Most are trying to fill existing contracts and some are running behind on scheduled shipments. Domestic demand is fair to good while export interest remains good. Traders are also commenting that market activity is quiet.

F.O.B. NORTHEAST:	EXTRA GRADE	.1975 - .2050
	USPH GRADE A	.2000 - .2100
DELVD SOUTHEAST:		.2200 - .2400

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. The market remains highly competitive as suppliers work to maintain current accounts. With anticipated higher milk prices in the offing, producers are currently adding to their inventories. However, surplus milk volumes are nearing the low point in the annual cycle. Demand is mostly for replacement needs.

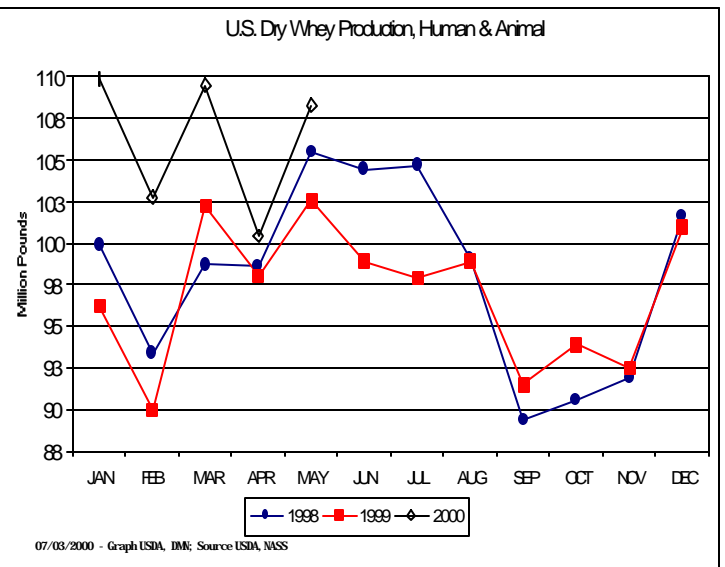
DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES
\$20.00 - 33.00
Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

Casein markets remain firm. Contract prices are basically set, although spot prices, when product is available, are higher. At this point, domestic buyers are indicating that they are getting shipments, but in many instances, not as timely as desired. Production in Europe is mixed. Demand for milk is strong as production declines seasonally. Skim milk powder demand is very strong, thus limiting casein output, although producers are indicating that they will meet commitments. Oceania stocks are at seasonally low levels with their new milk production season just around the corner.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET:	2.1800 - 2.2600
ACID:	2.1800 - 2.2900



CHICAGO MERCANTILE EXCHANGE AND NEW YORK BOARD OF TRADE FUTURES

Selected settling prices, (open interest), and volume 1/

Month	07/05	07/06	07/07	07/10	07/11	07/12	07/13	07/14	07/17	07/18
CME - (CLASS III) MILK FUTURES -- Dollars per cwt.										
JUL 00	11.11 (1715) 14	10.90 (1692) 63	10.80 (1682) 41	10.65 (1669) 22	10.55 (1654) 42	10.56 (1652) 20	10.60 (1650) 11	10.55 (1646) 18	10.44 (1645) 9	10.44 (1642) 15
AUG 00	12.30 (1731) 21	12.06 (1785) 110	11.85 (1871) 159	11.45 (1875) 69	11.40 (1824) 7	11.45 (1818) 12	11.30 (1823) 22	11.10 (1812) 95	10.95 (1819) 56	10.93 (1850) 101
SEP 00	12.75 (1427) 78	12.57 (1504) 128	12.41 (1549) 90	12.26 (1545) 20	12.25 (1524) 7	12.35 (1546) 55	12.25 (1544) 81	12.00 (1549) 22	11.61 (1566) 112	11.50 (1605) 80
OCT 00	12.69 (1292) 65	12.56 (1319) 66	12.46 (1339) 57	12.38 (1342) 3	12.37 (1321) 11	12.40 (1319) 12	12.39 (1392) 118	12.20 (1401) 65	11.80 (1416) 50	11.70 (1456) 81
NOV 00	12.15 (791) 26	11.95 (798) 38	11.82 (804) 25	11.80 (808) 4	11.77 (785) 9	11.83 (785) 0	11.83 (821) 82	11.75 (843) 78	11.60 (868) 65	11.50 (869) 8
DEC 00	11.95 (680) 33	11.75 (682) 13	11.70 (683) 8	11.60 (686) 6	11.65 (677) 6	11.70 (690) 17	11.69 (708) 34	11.60 (734) 75	11.40 (751) 56	11.35 (758) 14
JAN 01	11.10 (104) 1	11.06 (110) 11	11.20 (109) 16	11.00 (110) 5	11.00 (100) 0	11.00 (100) 0	11.00 (101) 12	10.95 (103) 4	10.91 (117) 24	10.85 (119) 4
FEB 01	11.05 (62) 1	11.05 (65) 3	11.05 (72) 8	10.95 (73) 1	10.95 (73) 0	10.95 (73) 0	10.95 (73) 2	10.95 (75) 3	10.87 (80) 10	10.85 (70) 15
MAR 01	11.05 (49) 1	11.05 (52) 8	11.05 (51) 13	11.00 (51) 1	10.95 (52) 1	10.95 (52) 0	10.95 (53) 3	10.95 (56) 3	10.88 (66) 11	10.83 (67) 1
APR 01	10.84 (36) 0	10.84 (35) 15	10.50 (36) 1	10.75 (38) 2	10.75 (39) 4	10.75 (39) 8	10.75 (41) 2	10.70 (43) 3	10.67 (53) 10	10.60 (53) 2
MAY 01	10.85 (17) 0	10.85 (22) 5	10.50 (24) 2	10.75 (25) 1	10.72 (26) 1	10.73 (26) 0	10.73 (29) 3	10.69 (39) 12	10.65 (39) 0	10.60 (39) 2

CME - CLASS IV MILK FUTURES - Dollars per cwt.

OCT 00				12.20 (5) 5	12.20 (6) 2	12.19 (18) 13	12.50 (33) 19	12.49 (38) 11	12.30 (38) 1	12.25 (40) 4
NOV 00						12.50 (3) 3	12.52 (11) 8	12.42 (30) 24	12.30 (34) 5	12.25 (39) 7
DEC 00							12.50 (7) 1	12.50 (17) 10	11.85 (17) 0	11.85 (22) 5

CME - BUTTER FUTURES -- Cents per pound

JUL 00	121.47 (278) 8	118.00 (274) 3	116.50 (274) 29	118.90 (85) 5	114.50 (36) 6	115.50 (38) 0	115.50 (37) 1	113.75 (24) 0	112.50 (18) 2	110.00 (14) 1
SEP 00	125.00 (501) 0	122.00 (507) 18	119.00 (511) 37	118.00 (503) 9	118.25 (487) 24	119.30 (485) 8	119.00 (482) 12	116.50 (479) 5	114.75 (460) 22	113.75 (448) 36
OCT 00	127.00 (350) 0	123.75 (356) 10	120.00 (355) 6	117.00 (354) 3	119.00 (353) 2	120.75 (346) 7	120.00 (344) 7	118.00 (343) 9	114.75 (343) 8	115.00 (366) 28
MAR 01	109.00 (3) 0	109.00 (3) 0	109.00 (3) 0	109.00 (3) 0	109.00 (5) 2	108.00 (5) 0	108.00 (5) 0	108.00 (5) 0	108.00 (10) 5	108.00 (10) 0
MAY 01	112.00 (4) 0	112.00 (4) 0	112.00 (4) 0	112.00 (4) 0	112.00 (6) 2	111.00 (6) 0	111.00 (6) 0	111.00 (6) 0	111.00 (6) 0	111.00 (6) 0
JUL 01	116.00 (2) 0	116.00 (2) 0	116.00 (2) 0	116.00 (2) 0	116.00 (3) 2	115.00 (3) 0	115.00 (3) 0	115.00 (3) 0	115.00 (3) 0	115.00 (3) 0

NYBOT - MILK INDEX -- Dollars per cwt.

JUL 00	11.15 (80) 0	10.95 (80) 1	10.80 (80) 0	10.65 (80) 0	10.55 (80) 0	10.55 (80) 0	10.55 (80) 0	10.53 (80) 0	10.45 (80) 0	10.40 (80) 0
AUG 00	12.25 (66) 0	12.05 (66) 0	11.85 (66) 0	11.55 (66) 0	11.53 (66) 0	11.53 (66) 0	11.40 (66) 0	11.15 (66) 0	11.03 (66) 0	10.95 (66) 1
SEP 00	12.70 (74) 0	12.60 (75) 1	12.40 (75) 0	12.38 (75) 0	12.33 (75) 0	12.35 (75) 0	12.35 (75) 0	12.03 (75) 0	11.75 (75) 2	11.65 (75) 0
OCT 00	12.65 (46) 0	12.60 (46) 0	12.45 (46) 0	12.43 (46) 0	12.33 (47) 1	12.35 (48) 3	12.43 (48) 0	12.20 (48) 0	11.90 (48) 0	11.85 (48) 2
NOV 00	12.15 (32) 0	11.95 (32) 0	11.83 (32) 0	11.83 (32) 0	11.75 (32) 0	11.85 (32) 0	11.85 (32) 0	11.68 (32) 0	11.63 (32) 0	11.50 (33) 1
DEC 00	11.95 (17) 0	11.80 (17) 0	11.70 (17) 0	11.65 (17) 0	11.65 (17) 0	11.65 (17) 0	11.65 (17) 0	11.65 (17) 0	11.55 (17) 0	11.37 (17) 0
JAN 01	11.08 (3) 0	11.05 (3) 0	11.00 (3) 0	11.08 (3) 0	11.08 (3) 0	11.05 (3) 0	11.05 (3) 0	11.05 (3) 0	11.03 (3) 0	10.98 (3) 0

1/ At the CME open interest for milk -- 200,000 pounds per contract. At the NYBOT open interest for milk -- 100,000 pounds per contract.

For more detailed information, you may call our automated voice system at 608-224-5088.

INTERNATIONAL DAIRY MARKET NEWS

Information gathered July 10 - 21, 2000

Prices are U.S. Dollars per MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN AND EASTERN EUROPE

OVERVIEW: WESTERN EUROPE: Milk production continues to decline throughout most of Europe. In instances, milk receipts are declining to the point that some manufacturers are starting to get concerned about having sufficient volumes to meet previous commitments. Much of Europe's manufactured dairy product production was committed early on in the milk production season and now that milk output is on the downside, some producers are finding it difficult to meet those commitments. Stocks of skim milk powder are virtually nonexistent for new buyer interest. Often, filling previously made commitments on a timely basis is difficult. International buying interest is very strong. Currently, some buyers are indicating what they are willing to pay for powder, which is higher than current sales, but lack of European supply is hindering the sale. Oceania's milk production season is about to resume, thus they are out of the market for about 6 - 8 weeks at the earliest, but many buyers feel that additional Oceania stocks might not become available on a spot basis until late 4th quarter or early 2001. The United States is basically the major potential source of powder at this time. World demand prices are nearing, at, and in instances, higher than fob prices in the U.S. already. Basically, other European manufactured dairy product inventories are reported as in balance to short. Butter stocks are readily available for the steady domestic and light international demand. Whole milk powder demand has softened somewhat, but remains active. Limited volumes also discourage new sales activity.

BUTTER/BUTTEROIL: European butter markets are steady to firm. Butter production is declining seasonally as milk volumes edge lower. Stocks of butter are reported to be sufficient for domestic and international buyer interest. For the most part, current sales are for nearby or domestic needs with international demand slow. Butter handlers indicate that firming prices are more in line with other firming dairy product prices versus supply/demand driven.

82% BUTTERFAT: 1,300 - 1,500
99% BUTTERFAT: 1,425 - 1,600

SKIM MILK POWDER (SMP): Skim milk powder markets are firm with prices higher. Lack of supply is pushing European prices higher. The very occasional load of powder that becomes available is quickly absorbed within the market. Often, buyers are stating their willingness to pay higher prices than are currently being reported, but the lack of supply is limiting the sale. International buyer interest is strong. For the most part, Eastern and Western Europe and Oceania are out of the market due to limited stock, thus the U.S. is basically the only potential source at this time. Some sales have occurred within and outside of the U.S. Dairy Export Incentive Program (DEIP), with the DEIP bonuses being greatly reduced.

1.25% BUTTERFAT: 2,000 - 2,250

WHOLE MILK POWDER (WMP): Whole milk powder markets are firm, although prices are generally steady. Recent international buyer interest for whole milk has slowed. European traders indicate that possibly this slowdown in demand can be attributed to the known lack of supply in Europe.

26% BUTTERFAT: 1,900 - 1,950

SWEET WHEY POWDER: Whey powder markets and prices are steady, although the market tone remains firm. Milk production in Europe is declining seasonally, thus cheese output is also lighter. In instances, competition for milk volumes is active for skim milk powder, thus limiting volumes for cheese production. Lower cheese production also limits whey volumes. At this time, international whey interest is light and recent buyer interest has found European prices higher than they were willing to pay.

NONHYGROSCOPIC: 500 - 625

OVERVIEW: EASTERN EUROPE: Milk output in Eastern Europe continues to follow the seasonal decline trend of past weeks. Stocks of manufactured dairy product are being reported as tight and very limited volumes are available for sale, especially milk powders. Some small lot sales have been reported, but for the most part, no significant volumes are available for sale. As in Western Europe, Eastern European producers and handlers feel that they will not be a significant source for the current strong and near term dairy product demand.

OCEANIA

OVERVIEW: Seasonal milk production is just about to resume in Australia and New Zealand. August is typically the month when milk output really increases in the Oceania region. Early reports indicate that conditions are quite favorable for the start of the new production season. For the most part, Oceania is out of product or at least stocks that they do have are fully committed. In instances, stock volumes are starting to tighten for already committed sales. Some handlers indicate that it will be very interesting to see how limited stocks will be once new production is generated. Oceania traders indicate that international buyer interest is very active. Some producers and handlers are committing a portion of their upcoming production, while the majority are not committing at this time. For the most part, Oceania dairy product handlers indicate that dairy product prices will probably remain firm during the upcoming production season. Lack of stocks in Europe, the uncertainty of U.S. participation in international markets within and outside of the DEIP program, and the uncertainty of Oceania production are three factors being pointed to for firm prices.

BUTTER: Butter markets and prices are generally unchanged from past weeks. Previously placed orders continue to be filled from inventoried stocks which are declining. In most instances, handlers of Oceania butter indicate that stocks will be sufficient to meet committed orders with minimal volumes remaining to carry over into next season. Many butter operations have been preparing their plants for the upcoming milk production season which will resume in 2 - 4 weeks.

82% BUTTERFAT: 1,100 - 1,150

CHEDDAR CHEESE: Oceania cheese markets and prices are generally unchanged. Cheese production is seasonally low, thus orders are being filled from inventoried stocks. The new milk production season is about to resume, thus stocks will once again increase. Demand for cheese has been and continues to be stable to regular customers. New buyer interest is not strong, thus low season end stock levels are sufficient for current needs.

39% MAXIMUM MOISTURE: 1,775 - 1,850

SKIM MILK POWDER (SMP): Skim milk powder markets remain firm with Oceania prices steady to slightly higher. In most instances, Oceania skim milk powder stocks are fully committed, thus previously placed orders are being filled from inventories. Firm world prices are giving strength to Oceania prices, although no powder is reported to be available for the strong world demand. Oceania producers and handlers are indicating that powder demand is strong for upcoming production. Some producers/handlers have committed a portion of their near term production, while most have not.

1.25% BUTTERFAT: 1,950 - 2,000

WHOLE MILK POWDER (WMP): Whole milk powder markets are generally steady. International buyer interest is strong, although not as demanding as skim milk powder. Stocks of whole milk powder are minimal in the Oceania region for spot buyer interest. Powder that is available has been fully committed to previously placed orders. Some producers and handlers are indicating that stocks will, in many instances, be at rock bottom levels at the start of the new milk production season in 2 - 4 weeks.

26% BUTTERFAT: 1,750 - 2,050

Exchange rates for selected foreign currencies: July 17, 2000

.4248 Dutch Guilder	.4787 German Mark
.1427 French Franc	.4596 New Zealand Dollar
.1072 Mexican Peso	.5887 Australian Dollar
1.4944 British Pound	.0092 Japanese Yen
.2322 Polish Zloty	.9362 Euro

To compare the value of 1 US Dollar to Mexican Pesos: $(1/.1072) = 9.3284$
That is 1 US Dollar equals 9.3284 Mexican Pesos.

Source: "Wall Street Journal"

JUNE MILK PRODUCTION

Milk production in the 20 major states during June totaled 12.1 billion pounds, up 2.8 percent from production in these same states in June 1999. The May revision represented a decrease of 0.2 percent or 28 million pounds from last months preliminary production estimate. Production per cow in the 20 major states averaged 1,546 pounds for June, 30 pounds above June 1999. The number of cows on farms in the 20 major states was 7.81 million head, 65,000 head more than June 1999 and 10,000 head more than May 2000. The April-June quarterly production of milk for the U.S. was 43.1 billion pounds, 2.6 percent above the April-June period last year. The average number of milk cows in the U.S. during April-June quarter was 9.21 million head, 58,000 head more than the same period last year.

STATE	MILK COWS <u>1/</u> <u>2/</u>				MILK PRODUCTION <u>1/</u> <u>3/</u>			
	JUNE		APRIL-JUNE		JUNE		APRIL-JUNE	
	1999	2000	1999	2000	2000	% CHANGE FROM 1999	2000	% CHANGE FROM 1999
	THOUSANDS				MILLION LBS.	PERCENT	MILLION LBS.	PERCENT
AL	C	C	27	25	C	C	92	-8.0
AK	C	C	1.0	0.9	C	C	3.41	-5.3
AZ	134	138	133	138	261	6.5	837	5.3
AR	--	--	42	42	C	C	142	2.9
CA	1,464	1,521	1,460	1,514	2,669	6.6	8,196	5.9
CO	--	--	82	85	C	C	470	11.9
CT	--	--	29	26	C	C	123	-9.6
DE	C	C	11.0	11.0	C	--	43.8	0.5
FL	159	158	160	158	209	2.0	672	2.0
GA	--	--	90	88	C	C	384	-2.0
HI	--	--	8.5	8.3	--	--	32	-1.5
ID	317	349	314	344	614	14.6	1,813	14.4
IL	122	120	123	120	173	--	541	1.5
IN	136	148	136	147	210	15.4	638	13.1
IA	217	215	217	215	329	3.8	1,010	3.1
KS	--	--	86	89	C	C	380	5.6
KY	133	132	133	133	136	2.3	444	3.0
LA	--	--	61	59	C	C	189	-1.6
ME	--	--	42	40	C	C	171	-5.0
MD	--	--	85	84	C	C	325	-7.9
MA	--	--	25	24	C	C	103	-5.5
MI	303	292	302	291	456	-1.7	1,382	-1.7
MN	545	535	545	538	800	-0.5	2,466	--
MS	--	--	38	36	C	C	146	-2.0
MO	159	155	160	156	186	2.8	601	1.0
MT	--	--	18	18	C	C	79	2.6
NE	--	--	73	75	--	--	315	10.5
NV	--	--	25	25	C	C	123	-3.9
NH	--	--	19	19	--	--	81	-2.4
NJ	--	--	18	16	C	C	69	-6.8
NM	234	249	232	245	446	11.5	1,358	11.2
NY	702	690	701	692	1,007	-1.8	3,078	-1.4
NC	--	--	73	72	C	C	303	-2.6
ND	--	--	49	51	--	--	190	6.7
OH	260	262	260	262	385	2.1	1,181	3.2
OK	--	--	92	91	C	C	331	4.4
OR	--	--	89	90	C	C	430	1.2
PA	614	617	615	616	922	0.4	2,893	1.3
RI	-	--	2.0	1.8	C	C	7.6	-7.3
SC	--	--	24	23	C	C	98	--
SD	--	--	102	103	--	--	413	8.7
TN	--	--	98	95	C	C	365	-2.1
TX	346	350	344	350	469	2.0	1,538	1.8
UT	--	--	92	96	C	C	428	3.9
VT	159	160	160	160	234	1.7	715	2.1
VA	121	120	122	120	152	1.3	488	2.7
WA	247	247	247	247	472	1.7	1,432	1.8
WV	-	--	18	17	--	--	67	-2.9
WI	1,368	1,347	1,366	1,350	1,940	-1.5	5,929	-1.1
WY	--	--	5.9	5.9	C	C	20.7	3.0
22 STATE TOTAL	7,740	7,805	C	--	12,070	2.8	--	--
U.S. <u>4/</u> <u>5/</u>	--	--	9,155	9,213	C	C	43,137	2.6

1/ Preliminary. 2/ Includes dry cows, excludes heifers not yet fresh. 3/ Excludes milk sucked by calves. 4/ Includes states for which individual monthly estimates are not available. 5/ Milk cows will not add due to rounding.

SOURCE: "Milk Production," Da 1-1 (7-00), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

MILK SUPPLY AND DEMAND ESTIMATES*

Milk production and CCC net removals forecasts are unchanged but continued weakness in product prices has led to slight reductions in milk price forecasts from last month

Item	1998/99 1/	1999/00 Projection 1/		2000/01 Projection 1/	
		June	July	June	July
SUPPLY		BILLION POUNDS			
BEGINNING COMMERCIAL STOCKS 2/	5.8	7.4	7.4	7.0	7.3
PRODUCTION	161.2	167.1	167.1	167.0	167.0
FARM USE	1.4	1.3	1.3	1.3	1.3
MARKETINGS	159.8	165.8	165.8	165.7	165.7
IMPORTS 2/	4.8	4.1	4.1	4.0	4.0
TOTAL COMMERCIAL SUPPLY 2/	170.4	177.3	177.3	176.7	177.0
USE					
COMMERCIAL USE 2/ 3/	162.7	169.4	169.1	169.6	169.9
ENDING COMMERCIAL STOCKS 2/	7.4	7.0	7.3	6.8	6.8
CCC NET REMOVALS:					
MILKFAT BASIS 4/	0.3	0.9	0.9	0.3	0.3
SKIM SOLIDS BASIS 4/	5.4	8.6	8.6	2.6	2.6
		DOLLARS PER CWT.			
MILK PRICES 5/					
BASIC FORMULA/CLASS III PRICE 6/	14.04	10.00-10.20	10.00-10.20	10.60-11.60	10.55-11.55
CLASS IV 7/	NA	11.55-11.85	11.45-11.75	10.75-11.95	10.75-11.95
ALL MILK 8/	15.37	12.60-12.80	12.55-12.75	12.20-13.20	12.15-13.15
		MILLION POUNDS			
CCC PRODUCT NET REMOVALS 4/					
BUTTER	1	15	15	10	10
CHEESE	6	15	15	6	6
NONFAT DRY MILK	449	705	705	215	215
DRY WHOLE MILK	12	35	35	0	0
MILK PRODUCTION	QUARTERLY 9/			ANNUAL 9/	
	2000 III	2000 IV	2001 I	2000	2001
	BILLION POUNDS				
	40.8	40.7	42.3	167.4	167.1
	DOLLARS PER CWT.				
ALL MILK PRICE 5/ 8/	12.70-13.10	13.65-14.35	12.05-13.05	12.55-12.85	12.30-13.30
CLASS III PRICE 5/ 6/	10.65-11.05	12.00-12.70	10.25-11.25	10.45-10.75	10.70-11.70
CLASS IV PRICE 5/ 7/	12.00-12.40	11.85-12.55	10.10-11.10	11.65-11.95	10.90-11.90

NOTE: Totals may not add due to rounding. 1/ Marketing year beginning October 1. 2/ Milk equivalent, milkfat basis. 3/ Includes commercial exports. 4/ Includes products exported under Dairy Export Incentive Program. 5/ Projections indicate a range of the average for the quarter or year. 6/ Basic Formula Price (BFP) through December 31, 1999; Federal milk order Class III price beginning January 1, 2000. 7/ Federal milk order Class IV price. 8/ Milk of average fat test. Does not reflect any deductions from producers as authorized by legislation. 9/ Calendar year basis projection.

* The World Agricultural Supply and Demand Estimates were approved by the Interagency Commodity Estimates Committee. The members for Dairy are: Shayle Shagam, Chairperson, WAOB; John Mengel, AMS; Authur Coffing, FAS; James Miller, ERS; and Daniel Colacicco, FSA.

SOURCE: "World Agricultural Supply and Demand Estimates," WASDE-364, World Agricultural Outlook Board, USDA, July 12, 2000.

FEDERAL MILK ORDER PRICE AND POOL SUMMARY, JUNE

HIGHLIGHTS. Handler reports of receipts and utilization under the Federal milk order system for June have been filed and tabulated. Combined totals for the 11 consolidated orders are being released. During June, about 9.5 billion pounds of milk were received from producers. This volume of milk is 0.2 percent higher than the adjusted June 1999 volume. Slightly more than 3.6 billion pounds of producer milk were used in Class I products, 2.4 percent higher than the previous year. Calendar composition likely had a positive impact on milk used in Class I in 2000 as compared to 1999. The all-market average Class utilization percentages were; Class I – 38, Class II – 11, Class III - 45, and Class IV – 6. The weighted average statistical uniform price (blend price under old pricing system) was \$12.19 per cwt., \$0.25 more than last month, and \$0.64 less than last year.

PRICE AND POOL STATISTICS FOR FEDERAL MILK ORDER MARKETING AREAS FOR THE MONTH OF JUNE 2000										
FEDERAL MILK ORDER MARKETING AREA <u>1/</u>	ORDER NUMBER	RECEIPTS OF PRODUCER MILK		UTILIZATION OF PRODUCER MILK IN CLASS I			UTILIZATION OF PRODUCER MILK IN OTHER CLASSES			UNIFORM PRICE <u>3/</u>
		TOTAL	CHANGE FROM PREV. YEAR <u>2/</u>	TOTAL	CHANGE FROM PREV. YEAR <u>2/</u>	PERCENT	CLASS II	CLASS III	CLASS IV	
		MIL. LBS.	PERCENT	MIL. LBS.	PERCENT		PERCENT			\$ PER CWT.
Northeast (Boston)	001	1,949.0	-6.0	819.9	4.5	42	18	30	10	13.25
Appalachian (Charlotte)	005	557.8	13.2	347.5	-6.2	62	15	12	11	14.01
Southeast (Atlanta)	007	604.7	13.0	388.6	1.2	64	13	19	4	13.78
Florida (Tampa)	006	228.3	1.9	202.6	2.1	89	8	2	1	15.57
Midwest (Cleveland)	033	1,114.5	2.3	521.6	1.6	47	16	30	7	12.38
Upper Midwest (Chicago)	030	1,933.1	-15.4	327.1	3.4	17	4	79	<u>4/</u>	10.43
Central (Kansas City)	032	1,371.7	52.7	376.5	13.9	28	8	63	1	11.16
Southwest (Dallas)	126	643.1	-12.0	313.9	1.3	49	6	44	1	12.75
Arizona-Las Vegas (Phoenix)	131	261.1	12.0	76.9	-0.7	30	5	32	33	12.10
Western (Salt Lake City)	135	381.9	-20.6	82.0	-8.6	22	9	65	4	11.01
Pacific Northwest (Seattle)	124	479.5	3.4	167.8	1.6	35	9	39	17	11.91
ALL MARKET AVERAGE OR TOTAL	<u>5/</u>	9,524.7	0.2	3,624.4	2.4	38	11	45	6	12.19

1/ Names in parentheses are principal pricing points of markets.

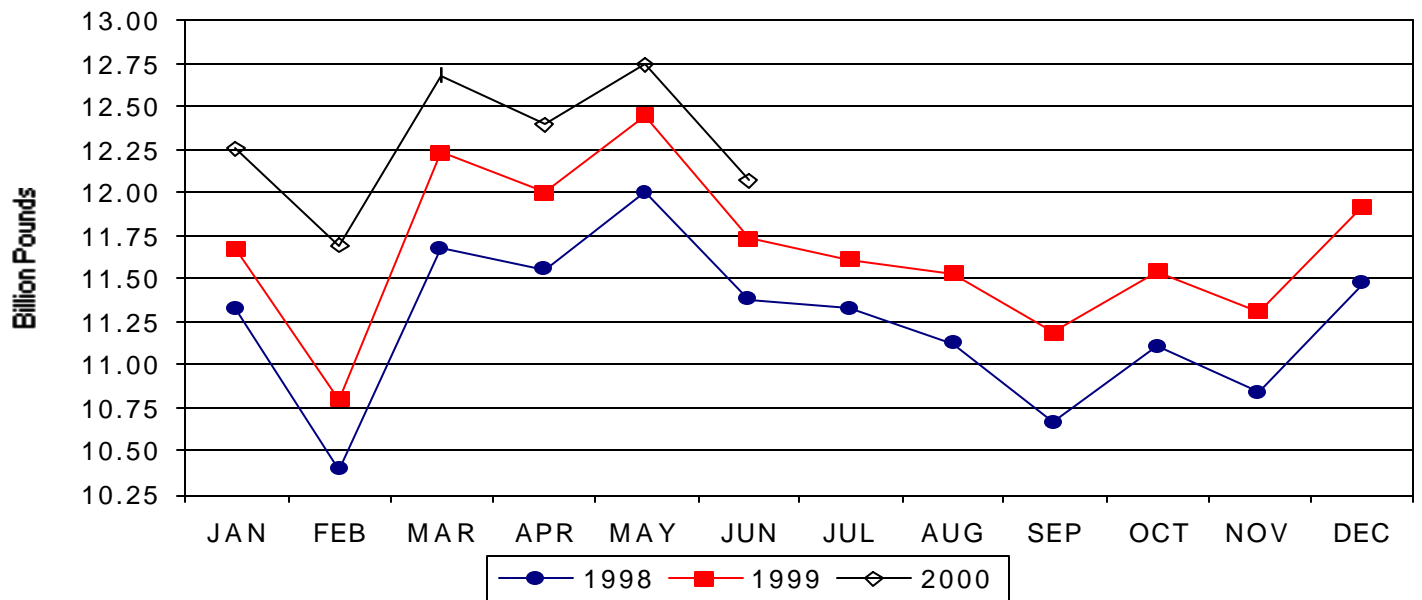
2/ Previous year figures are the simple summation of the data for the orders that were consolidated. For those orders that also include partial marketing area changes or the addition of unregulated area, the figures for the previous year were adjusted for these changes; in some cases these adjustments are based on estimated data. No adjustments to previous year figures were made for handler regulation shifts that result from other than marketing area changes. Also in June 1999, there was milk not pooled due to disadvantageous price relationships.

3/ Statistical uniform price for component pricing orders (Class III price plus producer price differential). For other orders, uniform skim milk price times 0.965 plus uniform butterfat price times 3.5.

4/ Less than 0.5 percent.

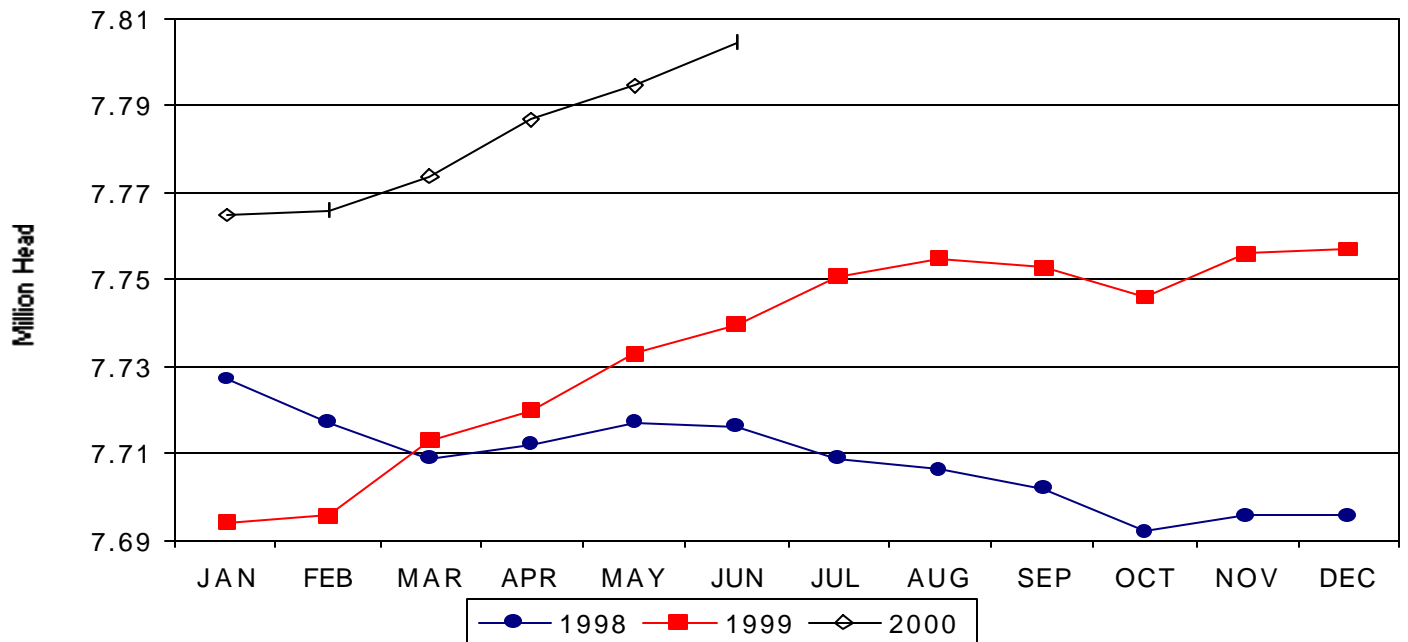
5/ Due to a disadvantageous relationship between class prices and the location adjusted statistical uniform (blend) price in some markets, handlers elected not to pool milk that normally would have been associated with these markets.

MILK PRODUCTION - 20 MAJOR STATES



Graph USDA, DMN; Source USDA, NASS

MILK COW NUMBERS - 20 MAJOR STATES



Graph USDA, DMN; Source USDA, NASS

CCC PURCHASES OF DAIRY PRODUCTS

	FOR THE WEEK OF JULY 17 - 21, 2000			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/99	SAME PERIOD LAST YEAR	PERIOD ENDING 07/14/00	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CHEESE							
Block	-0-	-0-	-0-	1,162,919	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Process	-0-	-0-	-0-	5,583,600	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	6,746,519	-0-	-0-	-0-
NONFAT DRY MILK							
Nonfortified	7,446,328	1,008,483	6,437,845	399,960,354	167,553,307	-0-	-0-
Fortified	1,058,052	-0-	1,058,052	6,759,960	1,705,369	-0-	-0-
TOTAL	8,504,380	1,008,483	7,495,897	406,720,314	169,258,676	-0-	-0-

MILK EQUIVALENT, MILKFAT AND SKIM SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS	MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF JULY 17 - 21, 2000 =	1.6	87.3	COMPARABLE WEEK IN 1999 =	1.0
CUMULATIVE SINCE OCTOBER 1, 1999 =	151.7	4,801.0	CUMULATIVE SAME PERIOD LAST YEAR =	37.2
CUMULATIVE JANUARY 1 - JULY 21, 2000 =	140.5	4,207.9	COMPARABLE CALENDAR YEAR 1999 =	37.2

* Factors used for Milkfat Solids Basis: Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22

**Factors used for Skim Solids Basis: Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF JULY 17 - 21, 2000 (POUNDS)

	BUTTER			CHEESE			NONFAT DRY MILK	
REGION	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MIDWEST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	6,427,069	1,058,052
EAST	-0-	-0-	-0-	-0-	-0-	-0-	10,776	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/99 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT	
REGION	1999/00	1998/99	1999/00	1998/99	1999/00	1998/99	1999/00	1998/99
MIDWEST	-0-	-0-	6,665,991	-0-	44,738,558	15,177,034	47.0	9.0
WEST	-0-	-0-	80,528	-0-	357,041,496	154,081,642	52.3	91.0
EAST	-0-	-0-	-0-	-0-	4,940,260	-0-	0.7	0.0
TOTAL	-0-	-0-	6,746,519	-0-	406,720,314	169,258,676	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JANUARY 1, 2000

MANUFACTURING MILK: Average Test 3.67% - \$9.90 per cwt.; 3.5% - \$9.80

DOLLARS PER POUND

BUTTER: Bulk \$.6500; 1# Prints \$.6800

CHEESE: 40 & 60# Blocks \$1.1000; 500# Barrels \$1.0700; Process American 5# \$1.1525; Process American 2# \$1.1925

NONFAT DRY MILK: Nonfortified \$1.0100; Fortified \$1.0200; Instant \$1.1675

Dairy Cow & Total Cow Slaughter under Federal Inspection, by Regions & U.S., for Week Ending 07/01/00 & Comparable Week 1999 1/ 2/

Regions*											U.S. TOTAL	% DAIRY OF ALL		
	1	2	3	4	5	6	7	8	9	10	WEEK SINCE JAN 1	WEEK SINCE JAN 1		
2000-Dairy cows HD (000)	0.2	0.9	5.9	5.0	19.1	2.5	0.8	0.7	9.9	2.2	47.4	1,353.2	45.3	48.8
1999-Dairy cows HD (000)	0.3	1.0	6.5	5.3	16.9	2.4	2.6	0.7	7.5	2.8	46.0	1,313.2	45.5	45.8
2000-All cows HD (000)	0.2	1.1	8.1	15.6	28.0	14.6	13.6	3.8	13.4	6.2	104.7	2,772.5		
1999-All cows HD (000)	0.3	1.0	9.0	13.4	23.8	13.7	17.7	3.4	11.0	7.8	101.0	2,868.0		

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

BASIC FORMULA PRICE (BFP) (3.5% BF, \$/CWT, FOR COMPARISON PURPOSES ONLY)

YEAR	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49	9.79	9.63

FEDERAL MILK ORDER CLASS PRICES FOR 2000 (3.5% BF)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Class I 1/	10.90	10.71	10.84	10.93	11.48	11.70	12.46	11.95				
Class II	11.43	11.51	11.71	12.10	12.63	13.08						
Class III	10.05	9.54	9.54	9.41	9.37	9.46						
Class IV	10.73	10.80	11.00	11.38	11.91	12.38						

1/ Specific order differentials to be added to this base price are located at: www.ams.usda.gov/dairy/fmor_announce.htm